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*The labour year book. Issued under the auspices of the parliamentary committee of the Trades Union Congress, the executive committee of the Labour Party, the Fabian Research Department.* (London: Fabian Bookshop. 1915.)

*New York state labor law, the industrial code, the workmen's compensation law; with amendments, additions and annotations to July 1, 1915.* (Albany: Dept. Labor. 1915. Pp. 280.)

### Money, Prices, Credit, and Banking

*Lower Living Cost in Cities. A Constructive Programme for Urban Efficiency.* By CLYDE LYNDON KING. National Municipal League Series. (New York: D. Appleton and Company. 1915. Pp. viii, 355. \$1.50.)

On its face, this book commends itself to a casual reader. It constitutes the fifth volume of the National Municipal League Series, and is impressively introduced by the editor of the series. The book comprises an introduction, three parts, and an index. Part II, the most valuable part of the book, is devoted to Urban Costs of Living that are attributed chiefly to inadequate and ineffective methods of distribution, particularly at terminal points. Part III deals with Other Urban Living Costs, *e.g.*, waste in productivity from preventable disease, lowered vitality from lack of playgrounds, bad housing, ill-ordered and unpractical public schools, ill-regulated and extortionate public utilities, inequitable taxation, and inefficient city government. The remedies urged for these more remote and somewhat disputable factors are largely counsels of perfection.

Persons seeking information regarding the archaic and wasteful methods which indubitably obtain in the production and distribution of perishable food-stuffs destined for the ultimate consumer of small quantities, will find the book suggestive; but critical students and responsible city officials may well hesitate to accept the engaging "constructive programs" which make up fully one fifth of the text.

Dr. King has much to say about the twentieth century city as contrasted with the nineteenth century village. Still, that city "is urban only in its raw industrialism," he says. Just what differentiates cities from villages is not disclosed. He quotes the report of the census of 1910 to show that "one in every two (55.1 per cent) lives in incorporated villages, towns and cities" (*sic*); and then says, "We are clearly a nation of city dwellers." The statement is based on a forced and inflated figure, *viz.*, 55.1 per cent,

given in a paragraph of interpretative text found on page 59 of the *Abstract* of the census of 1910. The paragraph follows a table which sets forth that 46.3 per cent of the population of the United States were found in "Urban territory"; and 57.3 in "Rural territory," of which 8.1 millions or 8.8 per cent of the national population were found in over 11,000 places of less than 2500 inhabitants. The writer of the paragraph has thrust urbanity upon 8.8 per cent of the people of the country in order to make it appear that 55.1 per cent of the total population "were living under conditions more or less urban!" Neither the census scribbler nor Dr. King deigns to define those conditions, or to note that places having 2500 inhabitants are called urban by the Thirteenth Census; whereas throughout the nineteenth century no place that had less than 8000 inhabitants was accounted urban.

Dr. King tells us that "we are now living in masses and not, as in the nineteenth century, on isolated farms," but does not give us an inkling as to the mean size of these masses. The last census shows that almost one half of the urban masses (48.8 per cent) did not muster 5000 people! The massiveness of the twentieth century city seems hardly so portentous as our author would have us believe.

In 1800 there were but 2 cities with 30,000 or more inhabitants. They contained 1.9 per cent of the total population of the country. By 1900 there were 135 of them with 25.1 per cent; but in 1850 they numbered 24 and contained 8.7 per cent of the country's population. By 1870, cities of 30,000 or more numbered 44, and contained 5.2 millions, or 13.5 per cent of the national. The assumption that isolated farms in the nineteenth century harbored the bulk of population seems rather far-fetched. At any rate, it appears that the tendency to live in masses had already declared itself in the middle of the bucolic nineteenth century.

Of 195 cities of 30,000, in 1912, 183 received their first charters in the nineteenth century, 10 in the eighteenth, and 2 in the seventeenth. Of the 183, 65 had already received their charters by 1849. The largest number so incorporated in a decade was 46, in the decade 1850-1859; and the next largest number was 28, in the decade 1830-1839. In the five years 1850-1854 there were 30 cities newly established. In other words, 107 cities, or 54.8 per cent of the 195 that belonged to the 30,000 and upwards class in 1912, had assumed city government before 1855.

Dr. King declares that "the average urban dweller spends prac-

tically one-half his income for food. Living costs mean therefore primarily food costs." This statement appears to be based upon the following:

Professor Chapin found that a family with an income of from \$900 to \$1,000 per year, spent at least 45 per cent of its income for food. It is therefore safe to say that half the workers upon whom the twentieth century city depends for prosperity, spend half of their income for food.

Analysis of Chapin's findings as to the proportion of income spent for food by 391 families in New York City shows that in only two of his ten income classes did the food bill exceed 45 per cent of the income, and that in five classes, it was under 44 per cent. In view of the analyses of some thousands of family budgets set forth in two important reports which appear to have been overlooked by Dr. King, namely, *Report of the Massachusetts Commission on the Cost of Living, 1910*, and *Cost of Living in American Towns—Report of an Inquiry by the Board of Trade in London*, made in 1909, published in 1911, it is clear that 45 per cent is a high estimate. Neither of the studies mentioned bears out Dr. King's chosen figure of 45 per cent as the average amount of the food bill.

The Board of Trade's tables embody the analyses of 7,716 budgets, covering ten racial groups with eight income classes in each group. The total number of average per cents of food bill to total income, numbers 70. In 6 cases, the figure is 45; in 14 cases, it exceeds 45; but in only 4 cases does it exceed 50; while in 50 cases or 71 per cent of the average per cents given, the average per cent is below 45.

Dr. King contributes (p. 19) an interesting table, summarizing the results of an investigation made by him in 1912, showing the prices received by the producers, middlemen, and retailers of farmers' products shipped into Philadelphia from outlying counties. The table covers 13 items, and shows the per cents of increase in prices charged consumers over prices paid to producers. In 13 instances they range from 67 to 266. These per cents appear to be correctly computed. But the author's statement that "the average per cent of increase is 136" appears to be incorrect. The table contains no statement of absolute figures on which to base an average, and 136—the average given—seems to have been arrived at by dividing the sum of 13 per cents of increase by 13!

Indeed it must be said that the author's ideas as to the nature

of an average and of per cents of increase appear to be hazy. Thus (p. 23) it is stated that the cost to consumer for a sack of onions was \$2.50 against \$1.10 received by the farmer, "an increase of 136 per cent." That per cent is manifestly nine points too high. On page 22, Dr. King states that there was "an average increase from 210 to 272 per cent for distribution costs alone," in the marketing of Wisconsin cheese in 1913. Computing per cents of increase on the prices set forth in the text, it appears that the per cents of increase were 110.5 and 172.7 respectively. It is only fair to say that the context does not enable one to say who made the errors.

EDWARD M. HARTWELL.

*Boston, Massachusetts.*

*Theory of Coöperative Credit. Including a Brief Sketch of the Credit System.* By H. HEMANTAKUMAR GHOSH. (Calcutta: S. C. Auddy and Company; London: Kegan Paul, Trench, Trubner and Company. 1915. Pp. xii, 212, xlv. 4s.)

A smaller treatment of this subject was issued in 1914, prepared primarily for the use of professors, students, and readers of economics. The additions consist mainly of an attempt to show the position of modern coöperative credit in relation to the larger commercial and industrial credit system. For this purpose a brief sketch of the system is given in chapter 9, which is entitled Credit in Evolution. Together with the two preceding chapters on The Indian Joint Village and Coöperative Credit in India, this forms a very valuable part of the book for American economists.

According to the author, from ancient times down to the Middle Ages credit was utilized principally for purposes of consumption. With the extension of exchange in modern times, credit has widened its sphere to purposes of production. In the latter sense credit is based on confidence in which there is some measure of security and some of risk, and "this confidence arises principally from the solvency, integrity and efficiency of the debtor."

In dealing with coöperative credit, which forms the main subject study, the author confines his attention largely to the European short-time personal coöperative credit societies as organized by Raiffeisen and Schulze-Delitzsch in Germany and by Luzzatti in Italy, but more particularly as these societies relate to agriculture. As distinct from business credit, the author aims to show that agricultural coöperative credit has a moral rather than a material basis. He says: